

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1592.
FILED, JANUARY 18th. 1968.

QUEBEC MATTAGAMI MINERALS LIMITED

Full corporate name of Company
Incorporated under Part IV of the Ontario Corporations Act, by
~~Letters Patent dated Nov. 15, 1943, Supplementary Letters Patent dated~~
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 Oct. 16, 1948,
(Ontario) by Letters Patent dated May 1st, 1957). Dec. 14, 1954,
Sept. 10, 1956,
Sept. 10, 1961.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)
[Reference is made to previous Filing Statement No. 1510.]

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	<p>Agreements dated December 28, 1967 and January 2, 1968 which are subject to the approval of the shareholders and agreements dated January 29, 1968, all as more particularly set forth in Schedule "A" hereto.</p> <p>See Schedule "A" on pages 3 to 6 Inclusive.</p>		
2. Head office address and any other office address.	Suite 1705, 80 Richmond Street West, Toronto 1, Ontario.		
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President & Director	James Lawrence Cowan Jenner 45 Thicket Road, Islington, Ontario.	Registered Representative and Barrister
	Vice-Pres. & Director	Wilmot Leslie Matthews 247 Forest Hill Road, Toronto 7, Ontario.	Chartered Accountant, Investment Counsellor and student.
	Secretary & Director	Robert Alexander Cranston 220 Cortleigh Boulevard, Toronto 12, Ontario.	Barrister
	Director	J. Douglas Streit, 99 Arjay Crescent Willowdale, Ontario.	Mining Engineer and Member Toronto Stock Exchange.
	Director	Delbert R. Wilson, 11 Maytree Road, Willowdale, Ontario.	Consulting Mining Engineer.
	Treasurer & Ass't. Secretary	Edward Alvin Pigulski, 36 Saybrook Avenue, Toronto 18, Ontario.	Accountant.
4. Share capitalization showing authorized and issued and outstanding capital.	<p>Authorized \$7,000,000. \$1 P.V.</p> <p>Issued and outstanding 2,499,500 shares \$1 P.V.</p>		
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	<p>None outstanding but the Company proposes to create and issue to Anglo American Corporation of Canada Limited a 6½% convertible income debenture in the principal amount of \$150,000 and more particularly set forth in Schedule "A" hereto. See Schedule "A" on pages 3 to 6 Inclusive.</p>		
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>None except the debenture referred to in Item 5 hereof may be converted for shares of the Company at \$1 per share.</p>		

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None to the knowledge of the undersigned.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	If and when the transaction is closed a special fee of \$5,000.00 will be paid to the President of the Company for his services in arranging financing for the Company and a commission of \$10,000.00 will be paid to Wills, Bickle & Company Limited by whom the President is employed and it may be that the President will receive a portion of this commission.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	In the Spring or Summer of 1968 to do ground work trenching and scintillometer surveys on the Dumas and Sagard Township claims, Quebec, at an approximate cost of \$7500, and if warranted to do diamond drilling.
10. Brief statement of company's chief development work during past year.	Soil sampling and geochemical surveys on the group of 25 claims in Deville and Lesseps Townships, Gaspé area, which claims have now been allowed to lapse, and airborne radiometric surveys on the claims in Dumas and Sagard Townships, Quebec.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>Bay & Company, % Securities Dept., Canadian Imperial Bank of Commerce, King & Bay Sts., Toronto, Ontario - 342,901 shares</p> <p>Richardson Securities of Canada, 173 Portage Ave. East, Winnipeg, Man. - 177,031 shares</p> <p>Wills Bickle & Company Limited, 44 King St. West, Toronto, Ontario - 156,177 shares</p> <p>Kerr Addison Mines Limited, 44 King St. West, Toronto, Ontario - 136,250 shares</p> <p>Burns Bros. & Denton Ltd., P.O. Box 39, Toronto Dominion Centre, Toronto 1 - 97,437 shares</p> <p>The signatories hereto do not know the names of the beneficial owners of the shares set out above except that of the 342,901 shares registered in the name of Bay & Company 113,500 are beneficially owned by Wilmot L. Matthews and 73,000 shares are beneficially owned by Mespil Mines Limited.</p>

SCHEDULE "A" TO THE TORONTO STOCK EXCHANGE
FILING STATEMENT OF QUEBEC MATTAGAMI MINERALS
LIMITED DATED THE 12TH DAY OF JANUARY, 1968.

By an agreement dated March 3, 1965 between the Company and F. R. Burton and assigned by the said F. R. Burton to Kerr Addison Mines Limited (Kerr Addison) as amended by an agreement dated April 7, 1965 Kerr Addison acquired from the Company an 80% interest in twenty-six unpatented mining claims number S129001 to S129009, both inclusive, S129011 to S129015, both inclusive, and S127987 to S127998, both inclusive, (the mining property) located in Hyman Township, in the Sudbury Mining Division, for \$25,777.00. The agreement provided inter alia that Kerr Addison would have the right to cause a new company to be incorporated to acquire the mining property and if it had expended \$280,000.00 or more in doing mining work on the mining property prior to the date of the incorporation of the new company it would have the right to transfer and convey to the new company the mining property in consideration of the issuance by the new company of a number of fully paid and non-assessable treasury shares equal to one-quarter of the authorized capital of the new company, the shares to be issued 80% to Kerr Addison and 20% to the Company. The new company, Agnew Lake Mines Limited (Agnew Lake), was incorporated by Letters Patent dated June 1, 1967 with an authorized capital of 3,000,000 shares without par value. Kerr Addison having certified that it had expended on the mining property the said sum of \$280,000.00, the mining property was transferred to Agnew Lake and the Company received 150,000 shares of Agnew Lake and Kerr Addison 600,000 shares of Agnew Lake. The agreement of March 3, 1965 provides that so long as the Company is the registered owner of at least ten per cent of the common shares of Agnew Lake from time to time outstanding then (i) Kerr Addison will vote its shares to elect as a director of Agnew Lake one nominee of the Company; (ii) no common shares or convertible securities of Agnew Lake will be allotted or issued or sold except pursuant to offerings made pro rata to the registered holders of common shares of Agnew Lake; (iii) no pro rata offerings shall require acceptance within sixty days; (iv) in no case during any period of six consecutive months shall there be an offering inviting the raising of more than \$500,000.00 except for the purpose of financing the mining property into production; and (v) Kerr Addison shall have the right to purchase at the offering price within thirty days from the expiry of the offer all common shares or convertible securities offered and not subscribed and paid for in full.

Agnew Lake proposes to bring the mining property into production and it is contemplated that its financing will take the form of a sale of units consisting of debentures and common shares. The Company desires to obtain additional shares of Agnew Lake. For this purpose it has entered into certain agreements dated December 28, 1967, January 2, 1968 and January 29, 1968 pursuant to which it has assigned to Anglo American Corporation of Canada Limited (Amcan), P.O. Box 28, Toronto-Dominion Centre, Toronto 1, Ontario, its right in and to the agreement with Kerr Addison dated April 7, 1965 including the right of representation on the board of Agnew Lake and the agreements provide among other things that

(a) Amcan will advance to the Company to be used by the Company primarily for approved mineral exploration purposes the sum of \$150,000.00 to be secured by an income debenture of the Company upon the interests of the Company in Agnew Lake bearing interest at 6½% per annum, such debenture to be convertible for shares of the Company at \$1.00 per share at any time up to and including December 31, 1972 and failing conversion be repayable in three equal semi-annual instalments of \$50,000.00 commencing June 30, 1973. The debenture will also contain restrictions on further borrowing by the Company and provisions proportionately increasing the number of shares issued to Amcan in the event that the Company issues or agrees to issue further treasury shares prior to conversion.

(b) So long as the said income debenture is outstanding Amcan will have the right of first refusal to purchase mineral properties of the Company that are susceptible to further development.

(c) Amcan will have the right of first refusal to purchase any shares of the Company of Agnew Lake.

(d) The Company to transfer to Amcan 75,000 shares of Agnew Lake.

(e) If the financing of Agnew Lake takes the form of a sale to Kerr Addison and Amcan of units consisting of debentures and common shares of Agnew Lake

(1) until Amcan has subscribed for \$6,600,000 principal amount of units that Amcan will without further consideration transfer one-half of the shares attaching to such units to the Company;

(ii) to the extent that Amcan is required to subscribe for units in excess of \$6,600,000 principal amount the entire interest in such additional units shall belong to Amcan unless the Company shall not less than fifteen clear days prior to the expiration of the time when such additional units are required to be taken up satisfy Amcan that the Company can

(x) with respect to the purchase by Amcan of such additional units after \$6,600,000 and up to \$9,000,000 principal amount, provide one-quarter of the funds required to be supplied by Amcan, in which case Amcan and the Company shall take up and pay for such additional units in the proportion one-quarter the Company and three-quarters Amcan; and

(y) with respect to the purchase of such additional units by Amcan in excess of \$9,000,000 principal amount, provide the same proportion of the funds required to be supplied by Amcan as the number of shares of Agnew Lake then owned by the Company is of the number of shares of Agnew Lake then owned by the Company and Amcan together, in which case the Company shall take up and pay for such proportion of such additional units.

(f) Amcan further agrees to guarantee, to the extent of 20%, any bank loan to Agnew Lake for the purpose of financing the mining property to production provided that

(i) Kerr similarly guarantees 80% of such bank loan on terms and conditions no more favourable to Kerr Addison than those undertaken by Amcan; and

(ii) any such guarantee by Amcan shall be undertaken in substitution, in whole or in part, for the initial purchase of \$6,600,000 principal amount of units.

(g) Should the financing not take the form of units or guarantee above mentioned but consist of some other type of financing involving common shares or convertible securities offered to Kerr Addison and Amcan in the proportion of 80% Kerr Addison and 20% Amcan then such shares or convertible securities will belong absolutely to Amcan unless the Company shall satisfy Amcan that the Company can with respect to the issue price thereof:

(i) until Agnew Lake's financing from its shareholders by any means in the aggregate amounts to \$33,000,000, provide one-half of the funds required to take up Amcan's 20% interest, in which case the Company shall take up and pay for one-half of the 20% interest so offered to Amcan;

(ii) after Agnew Lake's financing from its shareholders by any means in the aggregate exceeds \$33,000,000, but

does not exceed \$45,000,000, provide one-quarter of the funds required to take up the 20% interest so offered to Amcan (provided that the Company shall have taken up and paid for all prior opportunities to acquire a part of the 20% interest so offered to Amcan) in which case the Company shall take up and pay for one-quarter of the 20% interest so offered to Amcan; and

(iii) after Agnew Lake's financing from its shareholders by any means in the aggregate exceeds \$45,000,000, provide the same proportion of the funds required to be supplied to take up Amcan's 20% interest as the number of shares of Agnew Lake then owned by the Company is of the number of shares of Agnew Lake then owned by the Company and Amcan together (provided that the Company shall have taken up and paid for all prior opportunities to acquire a part of the 20% interest so offered to Amcan) in which case the Company shall take up and pay for the proportionate interest for which it has supplied the funds.

(h) Amcan agrees that in the event it decides at any time not to participate further in any financing offered to it by Agnew Lake, to notify the Company promptly to this effect and to act as the Company's agent in taking up such proportion of the Agnew Lake financing available to Amcan pursuant to the provisions of the agreement as the Company may require, provided that the Company shall not less than fifteen clear days prior to the expiration of the time when such interest may be taken up by Amcan, satisfy Amcan that the Company can supply all the funds required to take up such proportionate interest; and in the event that Amcan elects not to participate in the further financing of Agnew Lake at any time when Amcan's right of first refusal in respect of shares or other securities of Agnew Lake then owned by the Company shall expire.

FINANCIAL STATEMENTS

QUEBEC MATTAGAMI MINERALS LIMITED

(Incorporated under the Laws of the Province of Ontario)

Balance Sheet as at December 31, 1967
(with comparative figures at December 31, 1966)

ASSETS		LIABILITIES	
	1967	1966	1966
CURRENT ASSETS			
Bank Balances	\$ 51.19	\$ 36,525.54	\$ 11,354.77
INVESTMENT IN OTHER COMPANY (Notes 1 and 2)			440.09
150,000 Shares Agnew Lake Mines Limited	\$ 201,070.92		
Mining Properties — at cost (Note 3)	\$ 60,110.00	\$ 65,850.00	
Interest in Mining Properties — at cost	60,110.00	3,060.00	
Buildings — at appraised value (Note 4)	4,500.00	68,910.00	
	\$ 64,610.00	4,500.00	
DEFERRED CHARGES			
Shaft Sinking	\$ 79,454.76	\$ 79,454.76	2,499,500.00
Exploration and Administrative Expenses — per Schedule	586,600.20	775,345.57	1,070,195.50
Organization Expense	1,859.65	1,859.65	
	667,914.61	856,659.98	1,429,304.50
			501,435.16
			927,869.34
			\$ 933,646.72
			\$ 966,595.52
CAPITAL STOCK (Note 6)			
Authorized 7,000,000 Shares Par Value \$1.00 each			
Issued Fully Paid			
2,499,500 Shares			2,499,500.00
Deduct Discount Thereon			1,070,195.50
			1,429,304.50
Deficit — per Schedule			501,435.16
			927,869.34
			\$ 933,646.72
			\$ 966,595.52

SHAREHOLDERS' EQUITY

The attached Notes to the Financial Statements are an integral part of the above statement.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Balance Sheet of Quebec Mattagami Minerals Limited as at December 31, 1967 and the Statements of Exploration and Administrative Expenses, Deficit and Source and Application of Funds for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

Toronto, Ontario,
January 10, 1968.

In our opinion, the above mentioned financial statements present fairly the financial position of the Company as at December 31, 1967 and the results of its operations and the source and application of its funds for the year ended on that date in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

MCCORMACK, BARKER and WESBROOK,
Chartered Accountants.

Approved on behalf of the Board:
J. L. C. Jenner
J. L. C. JENNER, Director.
R. A. Cranston
R. A. CRANSTON, Director.

QUEBEC MATTAGAMI MINERALS LIMITED

STATEMENT OF EXPLORATION AND ADMINISTRATIVE EXPENSES

For the Year Ended December 31, 1967
(with comparative figures for the year 1966)

	1967	1966
Balance, beginning of the year	<u>\$775,345.57</u>	<u>\$738,707.73</u>
DEDUCT		
Prior Years' Exploration Expenditures on Abandoned Mining Properties — Written Off ..	6,125.85	
Exploration Expenditures from 1954 to 1966 on Claims transferred to Agnew Lake Mines Limited (Note 1)	<u>203,122.75</u>	
	<u>209,248.60</u>	
	<u>\$566,096.97</u>	<u>\$738,707.73</u>
EXPLORATION EXPENSES		
Diamond Drilling		1,688.95
Assaying	63.25	598.10
Line Cutting		1,217.74
Camp Expense		175.00
Geophysical Surveys	2,140.00	11,162.23
Aerial Surveys	2,397.50	5,674.62
Engineering and Supervision	7,998.17	2,921.71
Maps and Blueprints	34.36	289.47
Mining Taxes and Licenses	3,364.50	1,221.00
Insurance	110.17	139.49
	<u>16,107.95</u>	<u>25,088.31</u>
DEDUCT		
Current Year's Exploration Expenditures on Abandoned Mining Properties—Written Off ..	2,295.47	
Current Year's Exploration Expenditures on Claims transferred to Agnew Lake Mines Limited (Note 1)	<u>7,648.17</u>	
	<u>9,943.64</u>	
	<u>6,164.31</u>	<u>25,088.31</u>
ADMINISTRATIVE EXPENSES		
Head Office Services and Rent	3,600.00	3,150.00
Directors' Fees	2,300.00	
Accounting Fees		450.00
Legal and Audit Fees	4,290.25	3,651.23
Reports to Shareholders	2,415.02	2,917.82
Filing Fees and Corporations Taxes	262.41	395.00
Transfer Agents' Fees	1,486.89	1,658.46
Share Certificates	381.02	715.62
Office Supplies and Expenses	31.40	409.33
Telephone and Telegraph	44.33	94.56
Bank Charges	4.65	1.07
	<u>14,815.97</u>	<u>13,443.09</u>
	<u>20,980.28</u>	<u>38,531.40</u>
DEDUCT — Interest Earned	<u>477.05</u>	<u>1,893.56</u>
	<u>20,503.23</u>	<u>36,637.84</u>
Balance, end of the Year	<u>\$586,600.20</u>	<u>\$775,345.57</u>

QUEBEC MATTAGAMI MINERALS LIMITED

STATEMENT OF DEFICIT For the Year Ended December 31, 1967 (with comparative figures for the year 1966)

	1967	1966
Deficit, beginning of the year	\$474,503.84	\$474,503.84
ADD		
Mining Properties Abandoned	5,750.00	
Prior Years' Exploration Expenditures on Abandoned Mining Properties	6,125.85	
Current Years' Exploration Expenditures on Abandoned Mining Properties	2,295.47	
Profit on Sale of 80% Interest in Mining Properties Transferred to Investment in Other Company (Note 1)	12,760.00	
Deficit, end of the year	<u>\$501,435.16</u>	<u>\$474,503.84</u>

STATEMENT OF SOURCE AND APPLICATION OF FUNDS For the Year Ended December 31, 1967 (with comparative figures for the year 1966)

SOURCE OF FUNDS	1967	1966
Interest Earned — Bank	\$ 477.05	\$ 1,893.56
APPLICATION OF FUNDS		
Exploration Expenses	16,107.95	25,088.31
Administrative Expenses	14,815.97	13,443.09
Acquisition of Mining Claims	10.00	6,850.00
	<u>30,933.92</u>	<u>45,381.40</u>
DECREASE IN WORKING CAPITAL	30,456.87	43,487.84
WORKING CAPITAL BEGINNING OF YEAR	24,730.68	68,218.52
WORKING CAPITAL (DEFICIENCY) END OF THE YEAR	<u>\$ (5,726.19)</u>	<u>\$ 24,730.68</u>

NOTES TO THE FINANCIAL STATEMENTS As at December 31, 1967

Note 1.

Under the terms of agreements dated March 31, 1965 and April 7, 1965 the Company transferred its 20% interest in twenty-six mining claims in Hyman Township, Province of Ontario and received 150,000 shares of Agnew Lake Mines Limited as consideration therefor. The amount at which these shares are carried was computed as follows:

Cost of 20% interest in Agnew Lake Claims	\$ 3,060.00
Exploration Expenditures from 1954 to 1966	203,122.75
Exploration Expenditures for 1967	7,648.17
Deduct	<u>213,830.92</u>
Profit on Sale of 80% Interest in Agnew Lake Claims	<u>12,760.00</u>
	<u>\$201,070.92</u>

Note 2.

Under the terms of agreements dated December 28, 1967 and January 2, 1968, which are subject to the approval of the shareholders, the Company has agreed to assign 75,000 shares of Agnew Lake Mines Limited to another company in consideration of the other company undertaking to carry out the participation of this company in the financing of Agnew Lake Mines Limited.

Note 3.

During the year 25 mining claims in Deville and Lesseps Townships, Quebec and 30 mining claims in Hainaut Township, Quebec held under development licenses and carried at costs of \$5,750.00, were abandoned.

Note 4.

Buildings are valued on the basis of an appraisal made on September 6, 1960, by Alan C. Lee, Mining Engineer. The difference between book value at September 6, 1960, and appraised value at that date has been charged to the Deficit Account.

Note 5.

If and when the transactions contemplated by the agreements dated December 28, 1967 and January 2, 1968 close a special fee of \$5,000.00 will be paid to the President of the Company for his services in arranging financing for the Company and a commission of \$10,000.00 will be paid to the company by whom the President is employed and it may be that the President will receive a portion of this commission.

Note 6.

Under the terms of agreements dated December 28, 1967 and January 2, 1968, which are subject to the approval of the shareholders the Company has arranged to borrow \$150,000.00 to be used primarily for approved mineral exploration. The loan is to be secured by an income debenture of the Company upon the interests of the Company in Agnew Lake Mines Limited bearing interest at 6½% per annum. Such debenture is to be convertible for shares of the Company at \$1.00 per share at any time up to and including December 31, 1972 and failing conversion is to be repayable in three equal semi-annual instalments of \$50,000.00 each commencing on June 30, 1973. The debenture will also contain restrictions on further borrowing by the Company and provisions proportionately increasing the number of shares issued to the debenture holder in the event that the Company issues or agrees to issue further treasury shares prior to conversion.

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	To the knowledge of the signatories hereto there is no person whose shareholdings are large enough to materially affect control of the Company.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	150,000 shares Agnew Lake Mines Limited at cost of \$201,070.92.
18. Brief statement of any lawsuits pending or in process against company or its properties.	None.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no material facts not disclosed in the foregoing. The signatories hereto do not know of any shares of the Company that are in the course of primary distribution to the public.

CERTIFICATE OF THE COMPANY

DATED Jan 12/68

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"J.L.C. Jenner"

"R.A. Cranston"

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)